

ASSEMBLY BILL

No. 592

Introduced by Assembly Member Ridley-Thomas

February 18, 2003

An act to add Section 7073.5 to the Government Code, relating to economic development.

LEGISLATIVE COUNSEL'S DIGEST

AB 592, as introduced, Ridley-Thomas. Economic development: enterprise zones.

The Enterprise Zone Act provides for the designation of enterprise zones by the Technology, Trade, and Commerce Agency according to specified criteria, pursuant to which certain entities may receive regulatory, tax, and other incentives for private investment and employment. The act provides for the designation of not more than 42 enterprise zones by the Technology, Trade, and Commerce Agency upon that agency's approval of applications from local jurisdictions. The act also authorizes the expansion of an existing enterprise zone if certain conditions are met.

This bill would authorize the governing body of a city, county, or city and county to apply to the agency for approval to reconfigure the geographic boundaries of an existing enterprise zone within the local governing body's jurisdiction if certain conditions are met.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 7073.5 is added to the Government Code, to read:

7073.5. (a) Notwithstanding any other provision of law, the governing body of a city, county, or city and county may apply to the agency for, and the agency may approve, the reconfiguration of the geographic boundaries of an existing enterprise zone within the local governing body's jurisdiction, consistent with the enterprise zone's existing size, if all of the following conditions are met:

(1) No reconfiguration made pursuant to this section shall have the effect of removing a business from an enterprise zone.

(2) No more than 10 percent of the existing enterprise zone is reconfigured.

(3) The governing body demonstrates a need to reconfigure the existing enterprise zone based upon county unemployment statistics, tract data from the most recent United States Census, and the potential for future development of jobs.

(4) The governing body provides official notification to the agency of its request to reconfigure its boundaries pursuant to this section and that notification includes a description and map of the proposed boundaries for the proposed reconfigured zone.

(b) In order to approve an application pursuant to this section, the agency shall make a finding that the reconfiguration is consistent with the purposes of this chapter.

(c) This section shall not be construed to extend the period during which the original designation of the enterprise zone is binding.

(d) The governing body that administers an enterprise zone that is reconfigured pursuant to this section shall report to the agency evidence of direct increases of employment by any business that is granted tax incentives or other benefits that are available to a business located in an enterprise zone. The agency shall include this information in its annual report to the Legislature.